

Securities and Exchange Commission

§ 256.201

§ 256.174 Miscellaneous current and accrued assets.

This account shall include the cost of all other current and accrued assets not provided for elsewhere. The records supporting this account shall be maintained so as to show the nature of each asset included herein.

4. DEFERRED DEBITS

§ 256.181 Unamortized debt expense.

This account shall include expenses related to the issuance or assumption of debt securities. Amounts recorded in this account shall be amortized over the life of each respective issue under a plan which will distribute the amount equitably over the life of the security. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 431, Other interest expense.

§ 256.184 Clearing accounts.

This account shall include undistributed balances in clearing accounts at the date of the balance sheet. Balances shall be substantially cleared not later than the end of the calendar year.

§ 256.186 Miscellaneous deferred debits.

This account shall include all debits not provided for elsewhere, such as the costs of service performed which have not been billed to associate or nonassociate companies and unusual or extraordinary expenses, not included in other accounts, and items the proper final disposition of which is uncertain. The records supporting the entries to this account shall be so kept that the service company can furnish full information as to the purpose, monthly balance, status, write-off and duration of each deferred debit.

§ 256.188 Research, development, or demonstration expenditures.

(a) The service company shall utilize this account, where appropriate, for the cost of all expenditures for research, development or demonstration undertaken by or sponsored through the service company. To the extent such costs are incurred for customers, or for construction work in progress, this account will serve as a clearing ac-

count to identify the total research and development activity.

(b) All cost shall be transferred from this account by the end of each fiscal year.

(c) This account shall be so maintained as to show separately each project along with complete detail of the nature and purpose of the research, development and demonstration project together with the related costs.

§ 256.190 Accumulated deferred income taxes.

(a) This account shall be debited and account 411, Provision for deferred income taxes—credit, or account 421, Miscellaneous income or loss, as appropriate, shall be credited with an amount equal to that by which income taxes payable for the year are higher because of the inclusion of certain items in income for tax purposes, which items for general accounting purposes will not be fully reflected in the service company's determination of annual net income until subsequent years.

(b) This account shall be credited and account 410, Provision for deferred income taxes, or account 421, Miscellaneous income or loss, as appropriate, shall be debited with an amount equal to that by which income taxes payable for the year are lower because of prior payment of taxes as provided by paragraph (a) of this section, because of difference in timing for tax purposes of particular items of income or income deductions from that recognized by the service company for general accounting purposes.

(c) Vintage year records with respect to entries to this account, as described above, and the account balance shall be so maintained as to show the factor of calculation with respect to each annual amount of the item or class of items for which deferred tax accounting by the service company is utilized.

LIABILITIES AND OTHER CREDIT ACCOUNTS

5. PROPRIETARY CAPITAL

§ 256.201 Common stock issued.

This account shall include the par or stated value of all common capital stock issued and outstanding.